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PAAUZYUW RUEHNEA1481 0871031-UUUU--RHEFLGX.

ZNR UUUUU ZZH

HEADER

P 281031Z MAR 07

FM AMEMBASSY NEW DELHI

TO RUEHC/SECSTATE WASHDC

INFO RUCPDOG/USDOC WASHDC

RHEHNSC/NSC WASHDC

RUEKJCS/SECDEF WASHDC

RHHJJP/PACOM IDHS HONOLULU HI

RUEKJCS/JOINT STAFF WASHDC

RUEHBJ/AMEMBASSY BEIJING

RUEHLM/AMEMBASSY COLOMBO

RUEHCG/AMCONSUL CHENNAI

RUEHCI/AMCONSUL KOLKATA

RUEHKA/AMEMBASSY DHAKA

RUEHHK/AMCONSUL HONG KONG

RUEHIL/AMEMBASSY ISLAMABAD

RUEHKT/AMEMBASSY KATHMANDU

RUEHKP/AMCONSUL KARACHI

RUEHMO/AMEMBASSY MOSCOW

RUEHBI/AMCONSUL MUMBAI

RUEHLO/AMEMBASSY LONDON

RUEHGV/USMISSION GENEVA

RUCNDT/USMISSION USUN NEW YORK

RHOVVKG/COMSEVENTHFLT

RHMFIS/HQ USCENTCOM MACDILL AFB FL

BT

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STATE FOR SA/INS, PM/CBM, PM/PRO

STATE FOR SA/PD

STATE FOR AID/APRE-A

USDOC FOR 4530/IEP/ANESA/OSA FOR BILL MURPHY

E.O. 12958: N/A

***** THIS IS A COMBINED MESSAGE *****

BODY

TAGS: KMDR, KPAO, PGOV, PREL, IN

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SUBJECT: AMERICA IN THE INDIAN PRESS

MEDIA PLAY, MARCH 27-28, 2007

QINDIA, U.S. CONCLUDE TALKS ON 123 AGREEMENT

AT LEAST FOUR NATIONAL DAILIES REPORTED THAT INDIA AND THE U.S. TUESDAY CONCLUDED THEIR TWO-DAY TALKS ON THE 123 BILATERAL AGREEMENT TO OPERATIONALIZE THE CIVIL NUCLEAR DEAL AMID INDICATIONS OF THE SIDES MAKING SOME HEALTHY PROGRESS. THE INDIAN EXPRESS QUOTED SOURCES AS STATING THAT INDIAQS DOUBTS ON THE HYDE ACT WERE CLARIFIED BY THE U.S. OFFICIALS WHILE THE ISSUE OF THE REPROCESSING OF SPENT-FUEL CONTINUES TO REMAIN. TOP OFFICIALS SAID THAT THE U.S. SIDE HAS ALSO CLARIFIED THAT THE HYDE ACT WILL NOT HAVE ANY IMPACT ON THE STRATEGIC PROGRAMS OF INDIA. THERE HAS ALSO BEEN CONVERGENCE ON THE TECHNICAL LANGUAGE TO BE USED IN THE AGREEMENT. SOURCES, HOWEVER, SAID THE DISCUSSIONS INVOLVING THE USE OF TECHNICAL AND LEGAL LANGUAGE HAVE TO REACH A FINAL SHAPE BEFORE THE FINALIZING OF THE FIRST DRAFT OF THE AGREEMENT. THE TIMES OF INDIA REPORTED THAT BOTH SIDES ARE NOW LOOKING AT THE END OF THE YEAR AS A REALISTIC TARGET TO WRAP UP THINGS ON THE NUCLEAR FRONT. THE TALKS OVER THE PAST COUPLE OF DAYS HAVE BEEN DESCRIBED AS QPOSITIVE.Q OF COURSE, THERE WILL BE SOME REMAINING GAPS WHICH WILL NEED TO BE BRIDGED AT THE POLITICAL LEVEL. PRIME MINISTER MANMOHAN SINGH WILL MEET PRESIDENT GEORGE BUSH AT THE G-8 SUMMIT IN GERMANY IN JUNE AND AGAIN IN NEW YORK IN SEPTEMBER. IT IS EXPECTED THAT THE FULL RECONCILIATION WILL HAPPEN THEN. ACCORDING TO SOURCES, THE U.S. SIDE ACKNOWLEDGED INDIAN CONCERNS ON REPROCESSING, TESTING AND GUARANTEES DURING THE PRESENT SET OF TALKS. SOURCES SAID MOST OF THE INDIAN CONCERNS WOULD BE ADDRESSED IN THE FINAL TEXT. NEW DELHI HAS REPORTEDLY INSISTED THAT IT WILL ACCEPT NO DEVIATION FROM THE UNDERSTANDING REACHED BETWEEN THE TWO SIDES LAST YEAR.

THE ASIAN AGE REPORTED THAT INDIA HAS RUN INTO OBSTACLES ON ALL FRONTS, WITH THE INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA) AND THE NUCLEAR SUPPLIERS GROUP (NSG) RELUCTANT TO OFFER THE CONCESSIONS ON THE CIVILIAN NUCLEAR ENERGY AGREEMENT THAT NEW DELHI HAD BEEN HOPING FOR. THE U.S., WHICH IS NOW PUSHING TO GET INDIA ON BOARD ON THE 123 AGREEMENT, HAS REFUSED TO

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MOVE THE IAEA OR THE NSG AT THIS STAGE. THE RESULT IS THAT THE NSG MEETING SCHEDULED FOR APRIL 16 WILL NOT CONSIDER THE AMENDMENT OF GUIDELINES TO ENABLE NUCLEAR SALES TO INDIA. THE TALKS WITH THE IAEA HAVE NOT BEGUN, WITH AN INFORMAL ROUND MAKING IT CLEAR TO NEW DELHI AT THE ONSET THAT THE AGENCY WAS NOT WILLING TO CONSIDER INDIA-SPECIFIC SAFEGUARDS BUT WAS OFFERING QINFCIRC/66 SAFEGUARDS, Q WHICH REQUIRED ALL NUCLEAR MATERIALS IMPORTED OR PRODUCED UNDER SAFEGUARDS TO REMAIN IN THAT CATEGORY UNTIL THE IAEA DECIDED OTHERWISE. SHYAM SARAN, THE PRIME MINISTERQS SPECIAL ENVOY ON THE NUCLEAR DEAL, HAS BEEN TRAVELING ACROSS THE GLOBE TO SOFTEN THE NSG MEMBER NATIONS. HE IS SCHEDULED TO VISIT AUSTRALIA LATER THIS WEEK TO HOLD TALKS WITH PRIME MINISTER JOHN HOWARD.

QINDIA TO GO AHEAD WITH IRAN GAS PIPELINE PROJECT, SAYS PRANAB

EXTERNAL AFFAIRS MINISTER PRANAB MUKHERJEE DECLARED ON MONDAY THAT INDIA INTENDED TO GO AHEAD WITH A MULTI-BILLION-DOLLAR GAS PIPELINE FROM IRAN VIA PAKISTAN DESPITE OBJECTIONS FROM THE UNITED STATES. QTALKS ON

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THIS PIPELINE ARE GOING ON. WHEN I WAS IN IRAN, I HAD CATEGORICALLY MENTIONED THAT WE ARE INTERESTED IN HAVING THIS PIPELINE,Q MUKHERJEE SAID IN AN INTERVIEW WITH THE NDTV NEWS NETWORK. QNOW NEGOTIATIONS ARE GOING ON ABOUT THE PRICES,Q SAID THE MINISTER, WHO MADE A TWO-DAY VISIT TO TEHRAN LAST MONTH. REPORTS NOTED THAT THE REMARKS COME AFTER A VISIT TO INDIA BY U.S. ENERGY SECRETARY SAMUEL BODMAN, WHO HAS URGED NEW DELHI TO DROP THE PLAN. WASHINGTON, WHICH ACCUSES TEHRAN OF SUPPORTING TERRORISM AND TRYING TO MAKE A NUCLEAR BOMB,

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SAYS IRAN WILL USE THE REVENUE GENERATED FROM THE PIPELINE TO FINANCE THESE ACTIVITIES.

QAMNESTY CONCERNED OVER 'SECRET DETENTIONS' IN PAKISTAN

THE HINDU CARRIED NEW DELHI STORY STATING THAT AMNESTY INTERNATIONAL IS QGRAVELY CONCERNED ABOUT REPORTSQ THAT AMERICAN INTELLIGENCE AGENTS HAD DETAINED AND INTERROGATED TERROR SUSPECTS IN SECRET PLACES IN PAKISTAN. A REPORT, RELEASED AT A PRESS CONFERENCE ON TUESDAY BY AMNESTY INTERNATIONAL INDIA DIRECTOR MUKUL SHARMA, SAID HUMAN RIGHTS FIRST, HAD CLAIMED THAT THE UNITED STATES MAINTAINED **SECRET DETENTION** FACILITIES AT KOHAT AND ALIZAI IN PAKISTAN. A STORY IN THE TELEGRAPH FROM KOLKATA, HEADLINED QPAK TERROR SUSPECTS SOLD TO US: AMNESTY,Q QUOTED THE AMNESTY REPORT AS STATING THAT QPAKISTANI AUTHORITIES AND VILLAGERS HAVE BEEN CASHING IN ON THE WAR ON TERROR BY SELLING ALLEGED TERROR SUSPECTS TO THE U.S.

QU.S. UNIVERSITIES LINE UP FOR INDIAN STUDENTS

THE HINDUSTAN TIMES AND THE HINDU REPRODUCED A NEW YORK TIMES STORY BY NEW DELHI CORRESPONDENT SOMINI SENGUPTA STATING THAT AMERICAN UNIVERSITIES EAGER TO EXPAND TO MARKETS ABROAD ARE TRAINING THEIR SIGHTS ON INDIA. SOME 40 PERCENT OF THE INDIAN POPULATION IS UNDER 18, AND A SCARCITY OF HIGHER EDUCATION OPPORTUNITIES IS FREQUENTLY CITED AS A POTENTIAL HURDLE TO ECONOMIC PROGRESS. AMERICAN UNIVERSITIES ARE JUST TESTING THE WATERS, BECAUSE THE LAW HERE IS STILL VAGUE ON HOW FOREIGN EDUCATIONAL INSTITUTIONS CAN OPERATE. BUT THAT MAY SOON CHANGE, SENGUPTA NOTED. THE BUSH ADMINISTRATION'S ENVOY FOR PUBLIC DIPLOMACY, KAREN P. HUGHES, IS VISITING INDIA THIS WEEK WITH A HALF-DOZEN AMERICAN UNIVERSITY PRESIDENTS TO PROMOTE BRAND AMERICA IN INDIAN EDUCATION. THE UNITED STATES WANTS AN EASING OF RULES UNDER A DRAFT LAW ON FOREIGN INVESTMENT IN INDIAN EDUCATION, WHICH IS TO BE INTRODUCED IN PARLIAMENT IN APRIL. ACCORDING TO THE NATIONAL KNOWLEDGE COMMISSION, WHICH ADVISES THE PRIME MINISTER'S OFFICE ON HIGHER EDUCATION, 160,000 INDIANS STUDY ABROAD, SPENDING AN ESTIMATED USD4 BILLION A YEAR. INDIANS AND CHINESE MAKE UP THE LARGEST NUMBER OF FOREIGN STUDENTS IN THE UNITED STATES. MADELEINE

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GREEN, VICE PRESIDENT FOR INTERNATIONAL INITIATIVES AT THE AMERICAN COUNCIL ON EDUCATION, CALLS INDIA QTHE NEXT FRONTIERQ FOR AMERICAN INSTITUTIONS, MANY OF WHICH HAVE ALREADY SET UP BASE IN CHINA.

QUSIBC LOBBIES FOR INDIAN MANGOES

A TIMES OF INDIA REPORT FROM KOLKATA SAID THERE IS MORE GOOD NEWS IN STORE FOR INDIAN MANGOES. EVEN AS THE

***** START OF SECTION 3 *****

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FEDERAL UPA GOVERNMENT WORKS OUT A MANGO-FOR-HARLEY DAVIDSON-BIKE DEAL WITH THE UNITED STATES, THE U.S.

INDIA BUSINESS COUNCIL (USIBC) IS STEPPING UP EFFORTS TO ENSURE THAT THE FRUIT CAN ENTER U.S. MARKETS IN THE CURRENT SEASON ITSELF. Q(U.S.) UNDER SECRETARY OF COMMERCE FRANK LAVIN IS SYMPATHETIC AND PROMISED TO WORK WITH USIBC IN A 'FULL-COURT PRESS' TO ENSURE THAT THE GATEWAY IS OPENED FOR INDIAN MANGOES IN U.S.

MARKETS THIS SEASON,' USIBC PRESIDENT RON SOMERS SAID IN AN E-MAIL TO TOI. HOWEVER, SOMERS, WHO MET LAVIN RECENTLY, CLARIFIED THAT HARLEYS DID NOT COME UP IN THEIR DISCUSSIONS AND THE USIBC WAS NOT ATTEMPTING TO LINK MANGOES WITH HARLEY DAVIDSON BIKES. SOMERS SAID HE WOULD ALSO MEET U.S. TRADE REPRESENTATIVE SUSAN SCHWAB EARLY NEXT MONTH TO LOBBY THE CASE FOR INDIAN MANGOES.

QAMID U.S. JOB CUT REPORTS, CITIGROUP TO HIRE MORE IN INDIA

THE MEDIA HIGHLIGHTED REPORTS STATING THAT CITIGROUP PLANS TO OPEN MORE BRANCHES AND INCREASE ITS HEADCOUNT IN INDIA, CHIEF EXECUTIVE OFFICER (CEO) CHARLES PRINCE SAID TODAY, AMID MEDIA REPORTS THAT THE U.S. BANK MIGHT CUT THOUSANDS OF JOBS IN ITS HOME COUNTRY. HOWEVER, PRINCE DECLINED TO COMMENT ON THE NEWSPAPER REPORTS

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THAT CITIGROUP WAS PLANNING JOB CUTS IN THE U.S. AS PART OF A RESTRUCTURING PLAN, AIMED AT IMPROVING PROFITS AND BOOSTING THE BANKQS INTERNATIONAL OPERATIONS. THE BANK ANNOUNCED THE COST-CUTTING REVIEW PLAN LAST YEAR AFTER COMING UNDER HEAVY CRITICISM FROM INVESTORS THAT ITS EXPENSES WERE GROWING FASTER THAN REVENUE. PRINCE, WHO IS IN INDIA, TOLD REPORTERS THAT THE PLAN WOULD BE MADE PUBLIC QIN A COUPLE OF WEEKS BEFORE OUR (QUARTERLY) EARNINGS ANNOUNCEMENT ON APRIL 16.

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